SECTION OF THE PROPERTY OF THE

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

North Dakota Field Office 2933 Third Avenue West Dickinson, North Dakota 58601-2619 701-227-7700

In Reply to: 3420 LHJ

March 11, 2003

Dear Reader,

On January 18, 2002, the Bureau of Land Management (BLM) received a lease application for Federal coal reserves from Coteau Properties Company (Coteau). These reserves are intended as part of an expansion of the present-day Freedom Mine. This letter announces Coteau=s lease application and invites comments on environmental effects from surface-disturbance associated with coal mining.

Coteau=s proposal, the West Mine Area expansion, covers approximately 17,000 total acres. While the surface estate is almost exclusively privately owned (5% is state), the mineral estate is split between Federal (5,571 acres or 33%), state (800 acres, 5%) and private (10,680 acres, 62%).

Listed below are Federal coal tracts (all underlying private surface) requested by Coteau:

T. 144 N., R. 88 W., 5th P.M.

Sec. 2: Lots 3, 4, S2NW3

Sec. 4: Lots 1, 2, S2NE3, S2

Sec. 6: All

Sec. 8: N2NE3, SE3NE3, NW3, N2SW3

T. 144 N., R 89 W., 5th P.M.

Sec. 12: E2

T. 145 N., R. 88 W., 5th P.M.

Sec. 4: Lots 1, 2, 3, 4, S2N2, SE3, S2SW3

Sec. 10: N2 Sec. 14: All

Sec. 22: All

Sec. 26: N2NE3, SW3NE3, NW3SE3, W2 Sec. 28: E2NE3, SW3NE3, SE3NW3, S2

Sec. 34: N2N2, SE3NE3, E2SE3, SW3SE3, SW3.

5, 571.34 Acres Federal Coal/Private Surface, Mercer County, North Dakota

As shown on the attached map, the proposed expansion is four miles northwest of the town of Beulah. Topography is typical of the northern Great Plains. Surface conditions are primarily native grassland (72%) and cropland (20%). Mining is expected to begin around year 2009 and conclude in 2035. Post-mining, Coteau proposes to restore the surface to a condition as chosen by the surface owner.

Coal resources of the West Mine Area were addressed in the North Dakota Resource Management Plan (RMP, 1988). The RMP indicates that, in general, the area is suitable for mining, although some areas of concern were identified including: (1) steep slopes (>30%) and (2) key wildlife habitat, which will be analyzed in our study.

BLM is also considering the effects of surface mining on historic properties. Approximately 200 archeological sites (for example, stone rings, rock cairns, stone alignments, and artifact scatters) have been identified on private surface throughout the proposed permit area. If you are aware of historic properties that may be affected by surface mining, please contact us by phone or written comment.

I encourage you to participate in our analysis. We seek public comments on potential impacts to Federal coal tracts and the West Mine Area. Your input can affect the direction BLM takes in this decision.

If you would like to visit with someone about the proposal, please call Lee Jefferis, BLM project leader, at (701) 227-7713. In order for written comments to be considered they must be received in our office by March 28, 2002.

Sincerely,

Douglas J. Burger ND Field Manager

Attachment: Map (1 page)